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Patent
Docket JP 1

In the United States Patent and Trademark Office

Application of: Jesse Pierce) Examiner: Layno, B.
Application Number 10/611,794) Art Unit: 3712

Filed on: 6/30/2003

Entitled: Reel Slot Machine and Rotator

MAIL STOP AF
Commissioner For Patents and Trademarks
PO Box 1450
Alexandria, VA 22313-1450

Certificate of fax transmission

I hereby certify that this reply to the first action on the merits is sent by fax to the United States Patent and Trademark Office at (703) 872-9306.



Jesse Pierce

11-22-04
Date of deposit by fax

Dear Sir:

SECTION 132 AFFIDAVIT OF THE INVENTOR JESSE PIERCE

Jesse Pierce being sworn states:

I have been involved in the repair, remanufacture, building, design, construction renovation, restoration and invention of slot machines and associated apparatus for thirty years.

During that period most of my efforts were related to gaming machines made by most of the suppliers to the industry; thus, I have seen it all both inside and out and understand the operation, control and function of everything that was in play.

Specifically, I have made my living in the field of gaming and in particular casino game repair and development starting with Harrah's Stateline Casino Hotel early in 1974, 30 years ago. I remained with Harrah's for 12 years.

With Lincoln Management in Reno, Nevada from 1986 to 1988, I was the lead mechanic at Fitzgeralds' Harold's Club and Nevada Club and oversaw three thousand three hundred gaming machines. During that period, as a senior

mechanic, I redesigned the hopper count circuit on Summit machines and designed the conversion to change the Jennings' mechanical payout to the modern Snow hopper.

From 1988 to 1994 I was with Global Gaming Distributors, Inc. in Las Vegas, Nevada as Service Manager with responsibility for sales made throughout the

world and became familiar with a wide range of domestic and foreign gaming machines and equipment.

Also during that period I developed the Antique Give-Away slot machine, the Victorian, and revamped the IGT Silver Strike and helped create the prototype for the Universal Clear Winner.

Anchor Gaming acquire Global Gaming Distributors, Inc. in 1994 and while under Anchor Gaming ownership I helped develop and build prototypes for Rock-N-Reels, Wheel of Gold, Clear Winner, Mountain of Money and the dual hopper Silver Strike. I also created the lap top PC interface for Acres Gaming progressives as used on Anchor Gaming progressive machines.

Late in the 1990's I joined Mikohn Gaming Inc. Las Vegas, Nevada to develop new slot machines and among other things co-developed now patented Pachinko, dice and other bonus game slot machines.

Thus, I am thoroughly familiar with all forms of antique, mechanical, computer controlled and video games that have been made and sold for use in casinos.

Not one of the many cited references (relied on or not) discloses any understanding of my claimed illusory bonus casino game of the above identified pending application for which I am the inventor and am thoroughly familiar with the parent application, the office action and the reply thereto including the cited references and amended claims.

I believe that the Examiner's conclusions about the obviousness of my claims is inconsistent with prevailing wisdom of skilled artisans in the game design field and that particularly with respect to those pending claims there is no similar teaching or understanding.

I believe that I was the first to understand and apply the claimed method and apparatus for separating the reels on a slot machine to give the illusion of a bonus game when there is none.

I believe that the concept I have in my claims was surprising and unexpected in view of the state of the art evidenced by the references cited by the Examiner.

I state that the claimed apparatus and method have developed into a growing business recently copied by Alliance Gaming a part of Bally's and shown at the Global Gaming Expo in Las Vegas, Nevada October 5 to 7, 2004.

Now that the concept is understood by the industry copies of my claimed apparatus and method are showing up on the casino floor, see attached photographs that I took of the competitor's machines in the Boardwalk Casino in Las Vegas, Nevada. That machine has a separate reel in the belly box and three reels in the top box. The belly box reel spins every time and suggests a bonus by its placement. See claim 2 for example:

"2. A slot machine with a game including a plurality of reels for spinning and a rotator located separate from the plurality of reels, the rotator for rotating, the slot machine with the game for play by a player for a wager including the spinning plurality of reels and the rotating rotator, comprising;

a plurality of reels in the slot machine mounted to be spun for the player in response to a wager, each of the plurality of reels begins spinning together but each of the plurality of reels finishes spinning in sequence; a rotator on the slot machine positioned apart from the plurality of reels, the rotator facing the player, the rotator rotates with the spinning plurality of reels, the rotator controlled to finish rotating subsequent to the finishing spinning sequence of the plurality of reels for determination of the outcome of the game play, and

a central processing unit in the slot machine coupled to the plurality of reels and connected to the rotator, the central processing unit for spinning randomly the plurality of reels in sequence and for finishing the spinning in sequence of the plurality of reels, the central processing unit connected to

the rotator for beginning rotating randomly the rotator with the spinning of the plurality of reels and the central processing unit connected to finish the rotation of the rotator after the plurality of reels so that an anticipatory feature is added to the plurality of reels by the continued rotation of the rotator until after the spinning of the plurality of reels ends in sequence."

Moreover, such games are in play in casinos in Las Vegas, Nevada, with the term, "BONUS" appearing near the separate reel notwithstanding the fact that the separate reel spins every time indicating that the software is identical to that which I first used with a separate reel (rotator) in my claimed game.

I believed that the references disclose nothing about the illusion of a bonus and do not appreciate or suggest what I first developed and worked to get the casino operators to understand and try.

I was the first to appreciate that the simplicity of a conversion of an ordinary reel type slot machine to have an illusory bonus game would be advantageous and beneficial to the industry. Existing games could easily and inexpensively be changed into what appears to be an entirely different form of play without any change in their software. That change obviates an expensive regulatory hurdle. Specifically, the use, of existing software that is already approved, to drive the converted slot machine is possible because the physical change of converting a reel to a rotator does not require a software change. As the programmed play remains the same, only the appearance of the game is changed. The odds and all things that affect fairness are identical to the original machine. Thus, the regulatory officials had no problem granting approval of my conversion once the changes were understood. The converted slot machine used for regulatory approval was not an obvious difference as I had to explain to the regulators that there was no bonus game. Thus, one game appeared as two even to the regulators charged with the responsibilities of protecting the public. After a great deal of explanation and demonstration ~~the regulators finally understood what had been accomplished and approved my conversion.~~

4

I thought that the possibilities afforded by the claimed apparatus and method could now be easily be sold to the casinos and other manufactures but that was not the case. Every time the converted machine was shown the reaction was the same, it was deemed, "another bonus game". In each instance, those who should have known better skipped to the incorrect conclusion that what they were seeing was a machine with a qualifying main game that allowed play of a top box bonus game. The most significant difference was that the illusory bonus game of mine was played every time and so appeared to provide more play and greater anticipation. Although no bonus play takes place on the rotator, the effect its separation from the reels is that a bonus is being played every time.

My claimed apparatus and method was a simple inexpensive way to renew and revitalize old existing machines that sat in basements and warehouses collecting dust instead of in casinos collecting coins but no one appreciated what the conversion was doing. Since players love and frequent bonus game slots because of the added chances to win, a renewed slot machine would generate play. First players feel they can win more money on a bonus game this is the concept behind all bonus games including progressives. There is no free lunch as even bonus payoffs are funded by smaller pay outs in the main game. That is the secret of the typical bonus game but players believe their luck will get them into the bonus play and so they gladly take the gamble and play the bonus slot machines. My idea was to convert a regular slot machine to provide an illusion of bonus play and to generate more play. Although that is a simple idea it is not appreciated or well understood. In particular, the placement of the rotator and its operation that affords top box play of the same (non bonus) game every spin reinforces the illusion of bonus play though there is none. The frequency and amount of payoff remains identical to that of the original software in the game before conversion so regulators had no approval problems with that. Players are attracted to my conversions and play perhaps because there is more interest in watching the reels and then the separated rotator while they are thinking there is

5

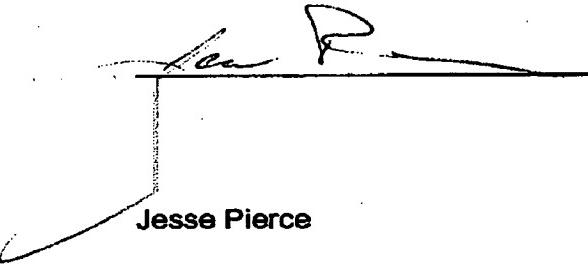
bonus play every time even though there is not. There is no deception because this is no different from funding bonus payoffs with the underlying or main game. That lack of understanding about where the casino share comes from is inherent in every casino game else there would be none. So from the players' point of view the initial impression is that of a bonus game and that is reinforced with each spin of the separate rotator.

The Examiner would be amazed at the consistent misconceptions that the rotator was a bonus game by those so called skilled artisans that failed to understand what I had done when they were shown my converted machine. My frustration increased as initial efforts to sell conversion kits, converted machines or the rights to the concept were repeatedly met with the same incorrect understanding by those that should have picked up on what had been done. An inordinate amount of time and effort was needed to teach and explain the concept. I had to place converted machines in casinos on trials to show that they would attract play; this was done at my expense and it took time before the merit of a lone machine located here and there in disparate casinos was proven. The obvious monetary advantages of the conversion of existing unused slot machines would make one think that the casinos would seize the concept and follow it. What happened was the trial machines were placed in casinos whereat they were not highly visible. Corners away from traffic patterns and the like were tested and even without the presently popular celebrity or board game themes, my conversion was slowly building play and interest.

It became apparent that selling the concept I conceived and developed would be difficult. The need for a learning curve required to teach those that should have known occurred and was totally unexpected by me and was discouraging. The attached graph shows that the operators' learning curve for the illusory bonus slot machine was slow to develop even though there are the many disclosed benefits available to the casino operators which were not quickly or readily appreciated.

All statements made herein of my own knowledge are true, and all statements made on information and belief are believed to be true, and that the foregoing statements were made with the knowledge that willful false statements and the like are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that my willful false statements or the like may jeopardize the validity of the above-identified patent application or any patent issued thereon.

11/22/04


Jesse Pierce